MINUTES OF MEETING
BOARD OF DIRECTORS
REGULAR MEETING
THE WOODLANDS TOWNSHIP
MARCH 25, 2009

THE STATE OF TEXAS §
COUNTIES OF HARRIS & MONTGOMERY §

The Board of Directors of The Woodlands Township, met in regular session, open to the public, on March 25, 2009, posted to begin at 9:00 a.m. The meeting was held in the Meeting Room at the Township's Office, 10001 Woodloch Forest Dr., Suite 600, The Woodlands, Texas, within the boundaries of the Township. The roll was called of the duly elected and appointed members of the Board of Directors, to wit:

Nelda Luce Blair Lloyd W. Matthews Bruce Tough Chairman Vice-Chairman Second Vice-Chairman Vicki D. Richmond Treasurer/Assistant Secretary

Alex Sutton III Secretary
Thomas Campbell Director
Kemba DeGroot Director
Peggy S. Hausman Director
Claude Hunter Director
Edmund W. Robb III Director
Robert C. Kinnear Director

with all of said persons being present, thus constituting a quorum. Also present for conducting business and assisting Board members were Don Norrell, Nick Wolda, Steve Sumner, Anjanette Sauers, Mike Page, John Powers, Tommy Gage, Lyle Nelson, Renee Williford, and Kristin Freeman.

Chairman Blair called the meeting to order at 9:00 a.m. She announced that a quorum was present and that sufficient notice of this meeting had been duly posted as required by law. Chairman Blair then requested a motion to adopt the agenda. Director Hunter moved to adopt the agenda. The motion was seconded by Director Kinnear and passed unanimously.

Next, Chairman Blair recognized the following public officials attending the meeting: Tommy Gage, Montgomery County Sheriff.

Chairman Blair then called on names from the Public Comment Roster. The following individuals addressed the Board:

- Kenny Speight-Montgomery County Fair
- Paul Martin-Committee for Over Age 65 Tax Exemption/Petition
- Kristin Weaver-Crime and Police Patrol in The Woodlands
- Laura Wilkinson-Laura Wilkinson Foundation
- Mike Bass-not present, letter distributed to Board regarding property tax rate

The Public Comment Roster and handouts are attached hereto as Exhibits "A" and "B", respectively.

Next, Chairman Blair asked the Board to consider and act upon approval of the minutes of the February 25, 2009 regular meeting, February 25, 2009 special meeting, and the February 26, 2009 special meeting of the Board of Directors of The Woodlands Township. Director

Hunter moved to approve the minutes as written and Director Campbell seconded the motion. Copies of the above referenced meeting minutes are attached hereto as Exhibits "C", "D", and "E", respectively.

Next. Chairman Blair asked Board members to receive and consider a report from the Community Associations of The Woodlands. John Powers, Co-Interim General Manager of The Woodlands Community Associations, presented the report. Packets of information containing a written summary of the Community Associations' Board agenda matters, Monthly Report for February 2009, and The Woodlands Community Policing Report for February 2009 were distributed to Board members. Additionally, a report on Media Coverage for the dates February 20-March 20, 2009 was presented. The Community Associations' reports are attached collectively hereto as Exhibit "F". No action was necessary on this item.

Chairman Blair next asked the Board to receive and act upon the Financial Report. Chairman Blair called on Anjanette Sauers, Financial

Services Manager for The Woodlands Township, to present this item. Ms. Sauers referred the Board to the Report on Monthly Budget Variances for the two months ended February 28, 2009 in their meeting books. Following Ms. Sauers' report, Director Kinnear moved to accept the Monthly Budget Variances Report as presented. The motion was seconded by Vice-Chairman Matthews and passed unanimously. A copy of the Monthly Variances Report for the two months ended February 28, 2009 is attached hereto as Exhibit "G".

Next, the Board was asked to receive and consider a law enforcement update from the Montgomery County Sheriff's Office. The Chairman called on Tommy Gage, Montgomery County Sheriff, to present this item. Sheriff Gage addressed several issues which included an update on recent bank robberies, 2010 Budget matters, traffic enforcement, and security concerns. Board members were given the opportunity to ask questions and make comments. Don Norrell, President

for The Woodlands Township, commented that further discussion regarding law enforcement will be addressed more fully at the April Board meeting. Following discussion, Chairman Blair thanked Sheriff Gage for his time and the information he shared with the Board. No action was necessary on this item.

Next, the Board was asked to receive and consider an update from Brazos Transit District regarding the Express Shuttle Service involving The Woodlands Township and Sam Houston State University. Steve Sumner, Vice President of Operations and Public Safety for The Woodlands Township, was called on to present this item. Mr. Sumner gave background information to the Board and then introduced Lyle Nelson, Vice President Regional Planning and Operations Division for Brazos Transit District. Mr. Nelson presented a handout to the Board showing statistics for ridership, mileage, and hours associated with the Express Shuttle Service from August 2008 through February 2009. After reviewing

the handout material, Mr. Nelson informed the Board that the shuttle has not generated the riders expected and may need to be re-evaluated for funding. Board discussion then followed and Mr. Nelson entertained questions. There was no need to take action on this item. The handouts are attached hereto as Exhibit "H".

Board members were then asked to receive and consider a quarterly update on the transition process of The Woodlands Township and The Community Associations of The Woodlands. Don Norrell was called on to present this item. This item was postponed temporarily in order to correct an AV problem.

Next, Chairman Blair asked the Board to consider and act upon a resolution supporting the San Jacinto River Authority ground water reduction plan legislation. Mike Page, legal counsel for The Woodlands Township, was called on to present this item. Mr. Page referred the Board to a copy of the proposed support resolution and then briefly explained

the groundwater reduction plan. Additionally, Mr. Page noted some of the consequences of failure to act upon the plan and supporting legislation. Director Robb then moved to approve the Resolution Supporting the San Jacinto River Authority Groundwater Reduction Plan Legislation. The motion was seconded by Second Vice-Chairman Tough. A brief period of discussion followed and then the Chairman called for a vote. The motion passed unanimously. A copy of the proposed resolution is attached hereto as Exhibit "T".

Next, Chairman Blair returned to item #10. Mr. Norrell used a PowerPoint presentation to update the Board on the transition process. The Board was informed that the action plan would be presented to the Community Association Boards, employees of both organizations, and other community groups as appropriate. Mr. Norrell then explained that in the interest of time, his presentation would be focused on only the items that are currently on-going and need the most effort at the present

time. Some of the action items highlighted in Mr. Norrell's presentation included:

- Develop a format and process for the 2010 budget and capital plan
- Develop organizational chart reflecting the full consolidation of services
- Plan for a consolidated employee compensation/benefit structure
- Develop a long range law enforcement management strategy
- Keep the public informed on issues regarding the transition changes

Following Mr. Norrell's presentation, the floor was opened to discussion. The importance of public communication was stressed by Director Hunter. Vice-Chairman Matthews commented that Chairman Blair has an excellent online radio interview on The Woodlands Talk radio website that addresses the transition process. Mr. Norrell's PowerPoint presentation is attached hereto as Exhibit "J".

At 10:21 a.m., the Board took a ten minute break and then recessed to Executive Session to discuss matters relating to real property pursuant

to §551.072, Texas Government Code; and to discuss personnel matters pursuant to §551.074, Texas Government Code.

The Board reconvened in Public session at 10:47 a.m. Chairman Blair announced that it would not be necessary to take action on items discussed in Executive Session.

Next, Board members were asked to consider and take any necessary action upon a report from the Committee on Governance and Nominations concerning the 2009 legislation. Chair of the Committee on Governance and Nominations, Director Robb, asked Mike Page to present this item and address the issue of signs in road rights-of-way. Mr. Page provided background information on the subject and then asked the Board for direction on how to proceed. Director Robb moved to have Mr. Page pursue a legislative amendment which would allow The Woodlands Township to regulate signs on the public rights-of-way in the community.

The motion was seconded by Second Vice-Chairman Tough and passed unanimously.

Chairman Blair then called for Administrative Reports. Nick Wolda, Vice President of Marketing & Public Affairs for The Woodlands Township, was called on to present an update on Marketing activities. Mr. Wolda informed the Board about the Live @ Lunch and Live @ Five series at Waterway Square in April. Following Mr. Wolda's presentation, Steve Sumner presented a report on Operations & Public Safety matters which included:

- Report on Waterway Square maintenance
- Restrooms open at Waterway Square and temporary signage in place
- New microphones and windows placed in the Board room doors
- Proposal to Houston-Galveston Area Council to do a study regarding expanding trolley service to the villages in The Woodlands
- Public Safety statistics

 4-way stop sign at Waterway Avenue and Timberloch approved by Commissioner's Court and will be installed at the intersection of Waterway Avenue and Timberloch

Following the Administrative Reports, Chairman Blair asked Board members to con-

sider items to be placed on the agenda for the next meeting. There were no items.

Chairman Blair then asked the Board if there were any announcements. Director Robb informed the Board that an email will be sent by Don Norrell on behalf of the Committee on Governance and Nominations to all Directors regarding officer elections in May. Chairman Blair informed the Board that the Conroe Independent School District Education Foundation Breakfast will be held April 28, 2009 at the Woodlands Waterway Marriott Hotel & Convention Center.

As there were no further matters to come before the Board, Chairman Blair called for a motion to adjourn. Director DeGroot moved to

adjourn the meeting. The motion was seconded by Director Kinnear and passed unanimously. The meeting was adjourned at 11:04 a.m.

Alex Sutton III
Secretary, Board of

(SEAL) Directors